

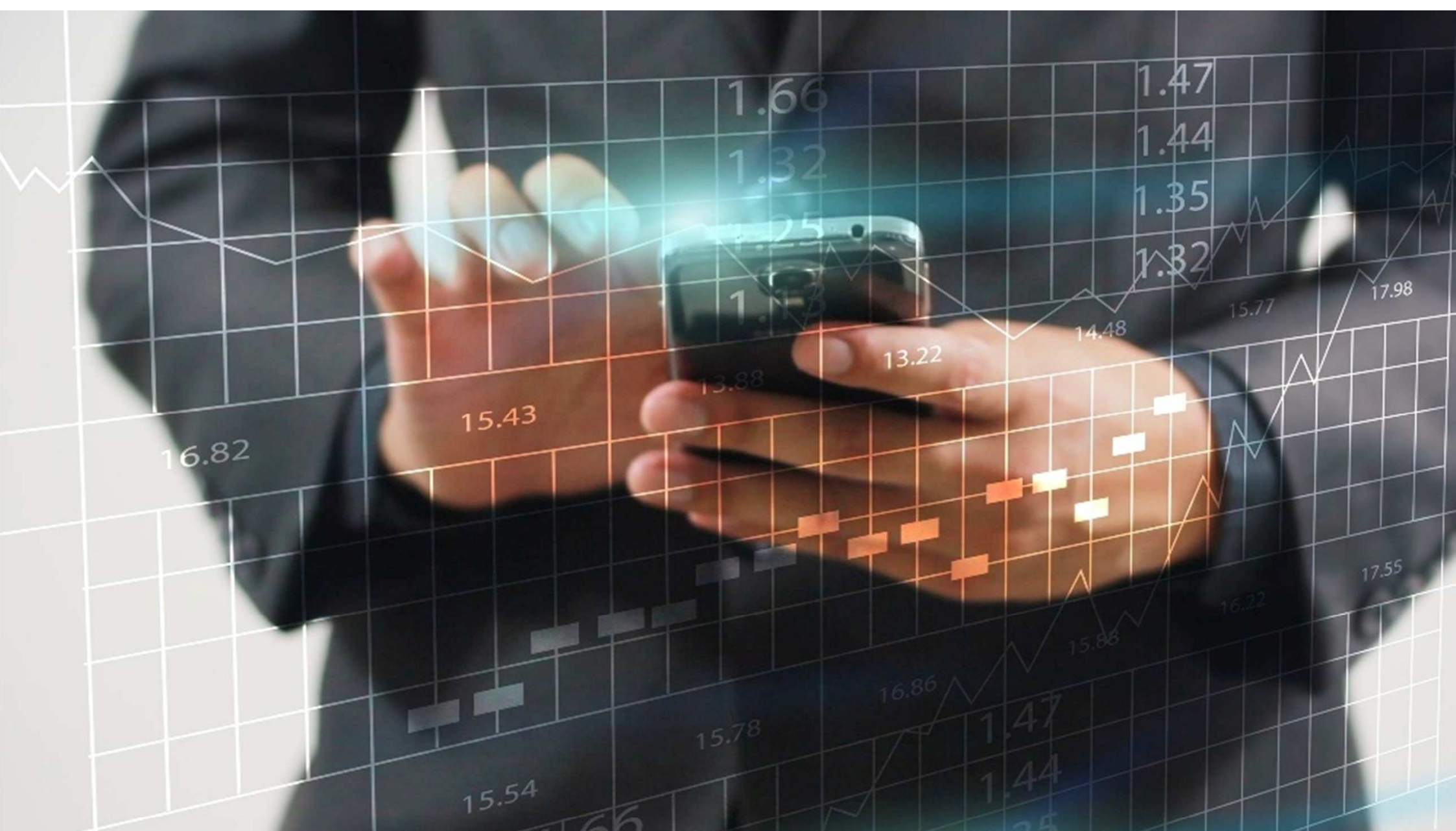


PRESENTATION OF RESULTS

2014

RELIABLE PARTNER IN BUSINESS

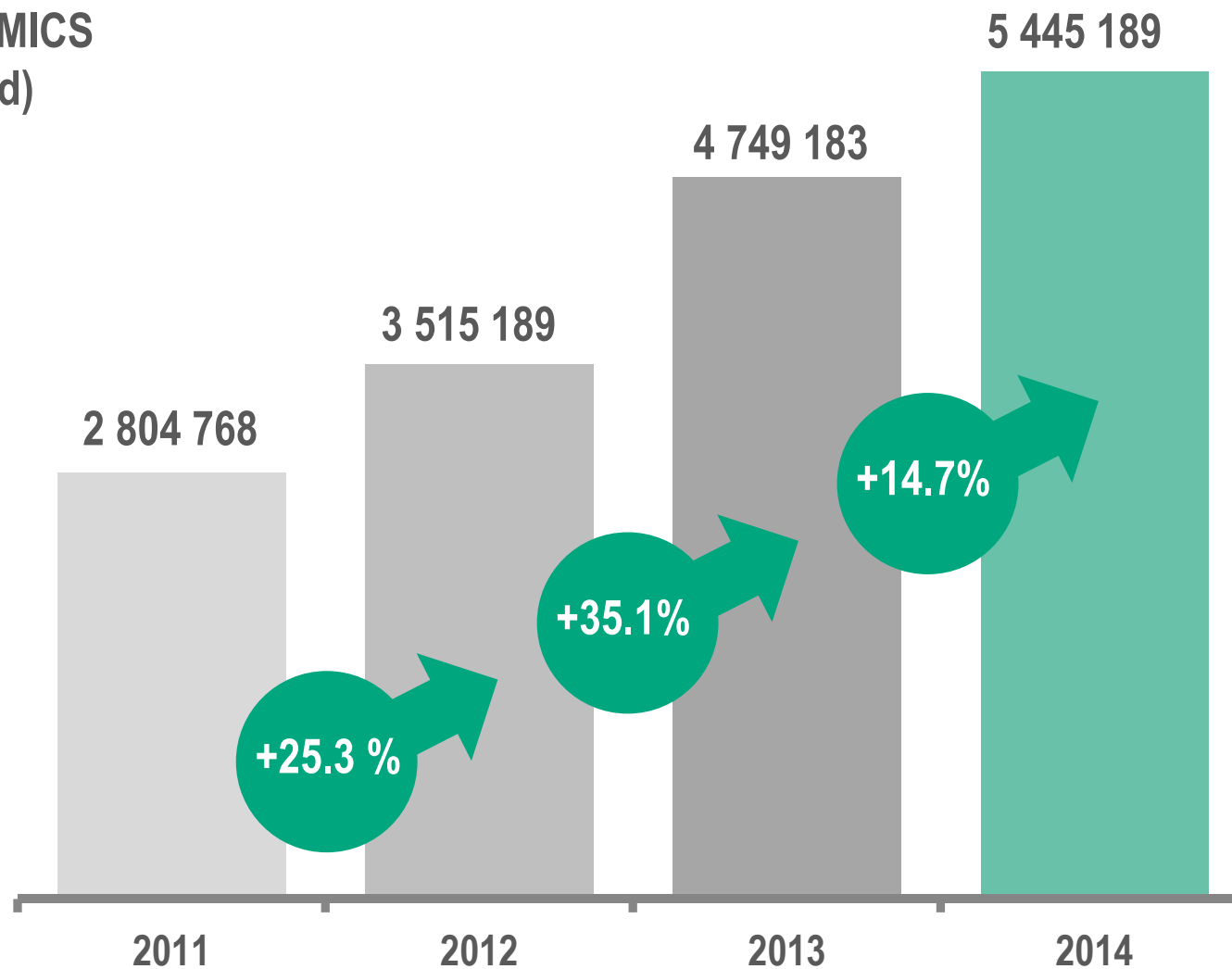
 **ACTION**[®]



Financial results

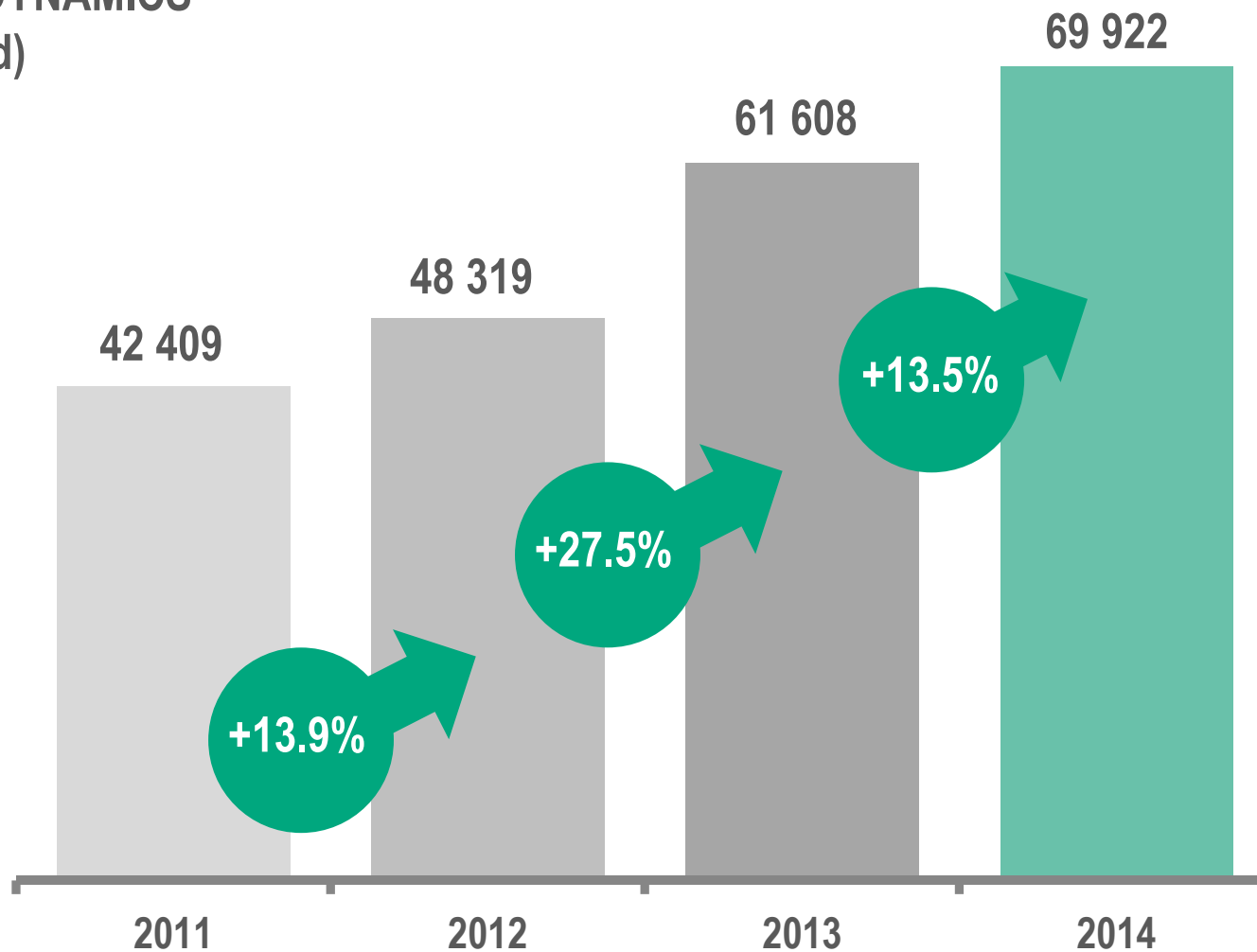
GK ACTION Revenues

SALES DYNAMICS
(PLN thousand)



Net profit of GK ACTION

NET PROFIT DYNAMICS
(PLN thousand)



Selected financial data for GK ACTION

| | Q4 2013 | Q4 2014 | Change (%) | 2013 | 2014 | Change (%) |
|---|------------|------------|---------------|-----------|-----------|---------------|
| Sales revenues | 1 487 970 | 1 632 821 | 9.7% | 4 749 183 | 5 445 189 | 14.7% |
| Gross profit on sales | 99 225 | 99 377 | 0.2% | 297 108 | 328 284 | 10.5% |
| Gross margin on sales | 6.7% | 6.1% | -0.6 pp | 6.3% | 6.0% | -0.3 pp |
| Sales and marketing costs | -61 490 | -66 917 | 8.8% | -182 755 | -207 540 | 13.6% |
| In relation to revenues | -4.1% | -4.1% | - | -3.8% | -3.8% | - |
| Administrative expenses | -8 831 | -8 099 | -8.3% | -27 705 | -31 268 | 12.9% |
| In relation to revenues | -0.6% | -0.5% | 0.1 pp | -0.6% | -0.6% | - |
| Other revenues and expenses | -4 677 | 2 040 | -143.6% | -4 597 | 2 854 | -162.1% |
| Net income on operating activities | 24 227 | 26 401 | 9.0% | 82 051 | 92 330 | 12.5% |
| Net finance costs | -1 107 | -1 854 | 67.5% | -5 190 | -6 796 | 30.9% |
| Net profit | 19 371 | 21 296 | 9.9% | 61 608 | 69 922 | 13.5% |
| Profit margin | 1.3% | 1.3% | - | 1.3% | 1.3% | - |

Cash conversion cycle

| | 31.12.2013 | 31.12.2014 |
|--------------------------|-------------|-------------|
| Inventory turnover | 30.3 | 39.3 |
| Flow of receivables | 45.6 | 39.7 |
| Repayment of liabilities | 62.3 | 55.5 |
| Cash conversion | 13.6 | 23.5 |

Cash flows

| | 2013 | 2014 |
|---|---------|---------|
| Net cash flows from operating activities | 101 341 | -81 810 |
| Net cash flows from investment activities | -17 081 | -62 173 |
| Net cash flows from financial activities | -54 200 | 220 571 |
| Change in net cash | 30 060 | 76 588 |
| Cash at the end of the period | 37 735 | 114 323 |



Prospective projects for GK ACTION in 2014

Leading the GSM segment

THE LARGEST PORTFOLIO OF GSM AGREEMENTS



EXTENDED SALES CHANNELS:



- Dealer channel
- TELCO: **PLAY** **orange** **Plus** **T-Mobile**
- Commercial networks
- Corporate sales

Developing the Smart Signage segment

THE FUTURE OF MARKETING COMMUNICATION

Material agreement with SAMSUNG
– creating a modern sales channel



MODERN
SALES CHANNEL

THE MOST UP-TO-DATE
SOLUTIONS

CONFERENCES AND
TRAINING SESSIONS

BROAD SPECTRUM OF
RECIPIENTS



EDUCATION

DEDICATED SALES
TEAM



Developing the Smart Signage segment

THE FUTURE OF MARKETING COMMUNICATION



- Presenting what we offer during numerous trade conferences in Q4 2014, for example:



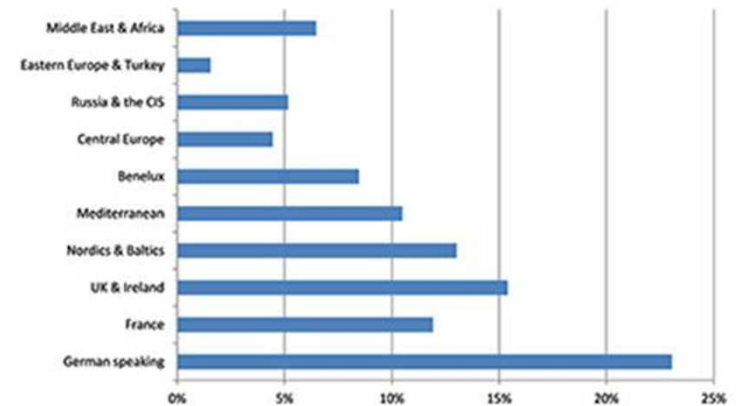
- Hotel Trends – 700 persons
- Retail Summit – 500 persons
- Spotkanie GPW - 300 people
- Samsung Resellers Meeting – 200

persons

- Regular meetings with customers in the Samsung Show

- Large market potential - 3 times smaller market saturation in Central Europe in comparison with the potential measured in production value

EMEA Digital-Signage Sales Volume Shares Q2 2013



Source: SID Information Display

Commercial networks

EXTENDED CUSTOMER PORTFOLIO



International agreement covering:
Poland, Hungary, Slovakia and the Czech Republic



RETAIL

- **17%** sales growth in the retail channel (Q4 2014 vs. Q4 2013)
- **134%** growth in the GSM product group (Q4 2014 vs. Q4 2013)
- **100%** growth in MSHP (Q4 2014 vs. Q4 2013)

FOOD

DIY STORES

DISCOUNT STORES

Audio/video appliances and household equipment sector

CONSISTENT DEVELOPMENT

- Full portfolio of distribution contracts:

HOUSEHOLD
EQUIPMENT

Amica BEKO

BRAUN Tefal

CANDY iRobot

Saeco INDESIT

BOSCH

SAMSUNG

zelmer

Electrolux

Rowenta

Audio/video
appliances

PHILIPS

Panasonic

SAMSUNG

TOSHIBA

SONY

● BLAUPUNKT

- 80%** dynamics growth in the large household appliances segment (2014 vs. 2013)
- Extended sales channels:

TRADITIONAL
SHOPS

COMMERCIAL
NETWORKS

E-COMMERCE

RESELLERS



EXPERTS IN AUDIO/VIDEO APPLIANCES & HOUSEHOLD EQUIPMENT

AUDIO/VIDEO APPLIANCES & HOUSEHOLD EQUIPMENT

- Almost **50%** sales growth (2014 vs. 2013)
- **53%** sales growth in terms of like-for-like sales (2014 vs. 2013)



BROCHURE
"Specjalista"
MAGAZINE

ESWS



WWW

| | | |
|----------------------|---------------------|-------------------|
| AGD Wolnostojące | AGD do zabudowy | AGD drobne |
| Telewizory | Audio / Video | RTV pozostałe |

AUDIO/VIDEO APPLIANCES &

SPECIALIST ACADEMY

ACTION Enterprise

DEVELOPING ACTION ENTERPRISE

- Distribution contracts in 2014:



St
Tr



lenovo FOR
THOSE
WHO DO.

Networkin
Storage



- Almost **1900** unique partners in 2014
- More than **600** partners trained in cooperation with Action CE related to the entire ACTION Enterprise portfolio
-  ending the engineering sales support

- No. **1** in **FUJITSU**
- No. **2** in **hp**



Tenders and corporate sales

TENDERS



Ostrowiec Świętokrzyski
Municipal Gmina



Military University
of Technology



Poznan City Hall



Brzeźnio gmina



Court of Appeal
in Kraków



Border Guards



Miasto
Stołeczne
Warszawa



Izba Celna
w Łodzi



The total value of tenders awarded in 2014:

PLN 250 m, completion of tenders worth 57 m was moved to 2015.

Sferis specialist chain store

GROWTH FACTORS IN SPITE OF A DECREASING MARKET

- Developing a purchasing platform for Business Partners: www.b2b.sferis.pl
- New website: www.sferis.pl
- New payment methods: leasing, inst: **PayPal**
- Modernisation of stores:



- Titular sponsor of the largest boxing group in Poland and Central and Eastern Europe



- Intense marketing activities



ACTION Games Lab

DEVELOPING MOBILE GAMES



PREMIERE: First half of 2015



ACTION GAMES LAB



- A new game in the ACTION Games Lab portfolio
- The merging of a strategic and an RPG game
- Inspired by Nordic and Slavic mythologies
(8 units and 16 heroes available in the first version of the game)



- Rating in Google Play: 4.34
- The game has been downloaded in 80 countries
- Large marketing project with T-Mobile
- Promotional events together with Samsung
- Cooperation with Tamalaki, a mobile game publisher




International expansion

Growth in the German market

ACTION EUROPE

- Steadily increasing number of customers:

More  **4 500** customers at the end of 2014

- Investment in logistics
- Turnover:
EUR 105 m - turnover in 2014

Plan for 2015 – **EUR 180 m**

- Important distribution contracts concluded in 2014:



Evolution from a broker to a modern distributor



- Personnel changes in the Management Board and in the company's structure
- Reliable market position for insurers
- System integration with ACTION S.A.
- Drop shipment development

Exports

GRADUAL GROWTH OF EXPORTS

- More than **500** customers around the world
- Supplying **44** countries

- The best Polish company in the export/import category
- Distributor of the Year in Central and Eastern Europe

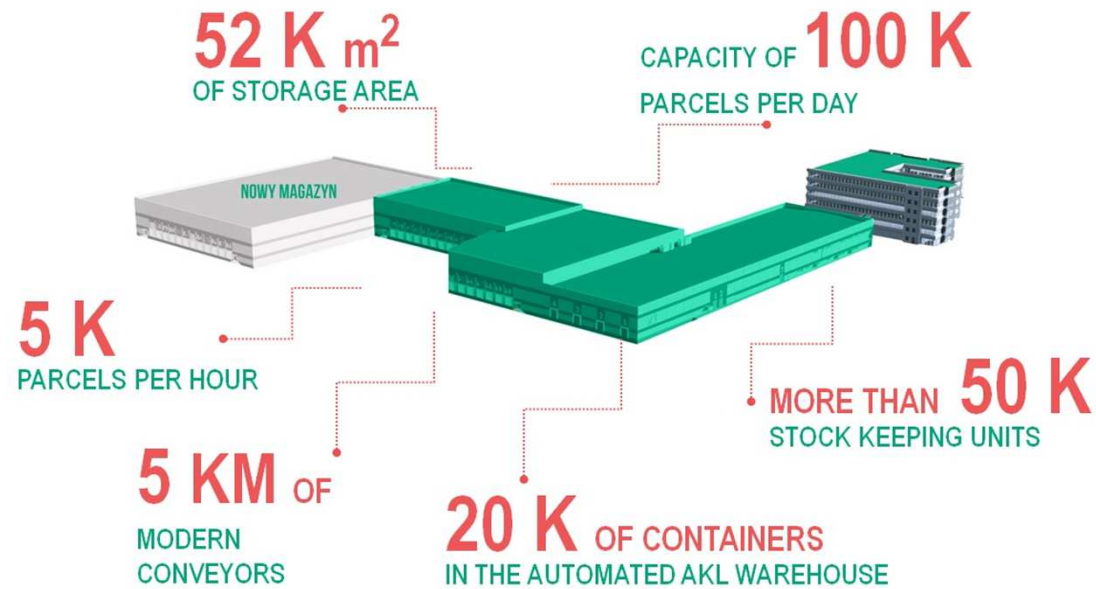


- More than **60** product groups



Logistics centre

MODERN STORAGE TECHNOLOGIES



- The Schäfer infrastructure was fully installed
- The new WMS system was tested and integrated with the Schäfer devices and installed on highly efficient servers
- The first shipments are planned for 1 April



Growth directions

Gradual growth of GK ACTION activities

GROWTH IN POLAND

GROWTH IN EUROPE



Thank You



Reliable partner:



GIEŁDA PAPIERÓW
WARTOŚCIOWYCH
w Warszawie



REMONDIS
ELECTRORECYCLING

